

**IN THE UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF GEORGIA
MACON DIVISION**

VC MACON GA, LLC,

Plaintiff,

v.

VIRGINIA COLLEGE, LLC and
EDUCATION CORPORATION OF
AMERICA,

Defendants.

Civil Action No. 5:18-cv-00388-TES

**LIMITED OBJECTION TO TERMS OF ORDER APPOINTING
RECEIVER AND PRELIMINARY OBJECTION**

COMES NOW Landlord CKS-VCC, LLC (“CKS”) and submits its objection to the Order Appointing Receiver and Preliminary Injunction entered by this Court on November 14, 2018 (the “Receivership Order”, Dkt. No. 26), and in support thereof respectfully states as follows:

INTRODUCTION

1. CKS is a landlord of the campus operated by Virginia College, LLC (“VC”) in Columbia, S.C.
2. The lease for the Columbia, S.C. campus is in material default. However, prior to the appointment of the Receiver, CKS and VC entered into discussions regarding possible terms on which the lease could be modified to permit VC to complete the 2018-2019 academic year, which would allow the school to perform as a “teach-out” school.
3. The failure of CKS to maintain the lease, cure defects and/or finalize the terms for an amended lease is causing a financial hardship on CKS.

4. VC and/or the Receiver are in control of the leased premises and continue to conduct classes and business operations at the Columbia, S.C. campus.

5. By this pleading, CKS is not affirmatively opposing the appointment of the Receiver, the pursuit of the relief requested by Plaintiff, or the timely pursuit of a restructuring plan by VC in conjunction with the Receiver. However, CKS is opposed to the current framework of the receivership and submits this objection to ensure that it may participate in and be heard in the proceeding and to seek the implementation of restrictions and protections enumerated in the Bankruptcy Code and related Federal Rules of Bankruptcy Procedure.

LIMITED OBJECTION TO RECEIVERSHIP ORDER

6. By this pleading, CKS is not affirmatively opposing the appointment of the Receiver, the pursuit of the relief requested by Plaintiff, or the timely pursuit of a restructuring plan by VC in conjunction with the Receiver. However, CKS is opposed to the current framework of the receivership and submits this objection to ensure that it may participate in and be heard in the proceeding and to seek the implementation of restrictions and protections enumerated in the Bankruptcy Code and related Federal Rules of Bankruptcy Procedure.

7. The current proceeding is a quasi-bankruptcy proceeding, but it fails to implement the protections to which creditors would be entitled in a formal bankruptcy proceeding. This flaw needs to be remedied.

8. CKS joins in the concerns expressed by other creditors in their objections to the Receivership Order and implores the Court to fashion an appropriate, but equitable remedy to address these concerns.

CONCLUSION

WHEREFORE, CKS, respectfully requests that the Court:

Enter an order (i) protecting CKS and other creditors by incorporating the protections of the Bankruptcy Code as applicable in this proceeding (including but not limited to appointment of one or more creditors' committees to represent the interests of landlords and other creditors), and (ii) for such other and further relief as the Court deems appropriate.

Respectfully submitted this 3rd day of December 2018.

MILLER & MARTIN PLLC

/s/ Ryan Kurtz

William A. DuPré, IV

Georgia Bar No. 234882

Bill.DuPre@millermartin.com

Ryan Kurtz

Georgia Bar No. 430484

Ryan.Kurtz@millermartin.com

Laura K. DiBiase

Georgia Bar No. 244303

Laura.DiBiase@millermartin.com

1180 West Peachtree Street, NW

Suite 2100

Atlanta, Georgia 30309

(404) 962-6100

(404) 962-6300 (Facsimile)

Attorneys for CKS-VCC, LLC

CERTIFICATE OF SERVICE

This is to certify that on the 3rd day of December 2018, I caused a copy of the foregoing **LIMITED OBJECTION TO TERMS OF ORDER APPOINTING RECEIVER AND PRELIMINARY OBJECTION** to be served upon counsel and/or parties of interest electronically through the Court's CM/ECF system to those shown on the Notice of Electronic Filing receipt issued by the Clerk of the Court, and by First Class U.S. mail, addressed as follows:

Jon A. Gottlieb
Flynn & Gottlieb, P.A.
800 Johnson Ferry Road
Atlanta, GA 30342
jong@lawfg.com

J. Leland Murphree
Ollie A. Cleveland, III
Alexander B. Feinberg
Maynard, Cooper & Gale
19901 Sixth Avenue North, Suite 2400
Birmingham, AL 35203
lmurphree@maynardcooper.com
tcleveland@maynardcooper.com
afeinberg@maynardcooper.com

Stuart M. Brown
DLA Piper
1201 N. Market Street, Suite 2100
Wilmington, DE 19807
stuart.brown@dlapiper.com

Jay Clifford Traynham
Walker Steven Stewart
Hall, Bloch, Garland & Meyer, LLP
577 Mulberry Street, Suite 1500
Macon, GA 31201
P.O. Box 5088
Macon, GA 31208-5088
jaytraynham@hbgm.com
walkerstewart@hbgm.com

Joshua Howard Threadcraft
Joe A. Joseph
Burr & Forman LLP
420 20th Street North, Suite 3400
Birmingham, AL 35203
Joshua.Threadcraft@burr.com
jjoseph@burr.com

Brenda T. Cubbage
Calhoun, Bhella & Sechrest LLP
325 N. Saint Paul Street, Suite 2300
Dallas, TX 75201
bcubbage@cbsattorneys.com

Christopher R. Conley
James F. Banter
John Flanders Kennedy
James Bates Banner Groover LLP
231 Riverside Drive
Macon, GA 31201
cconley@jamesbatesllp.com
jbaxter@jamesbatesllp.com
jkennedy@jbpslaw.com

John T. McGoldrick, Jr.
Stuart Walker
Martin Snow, LLP
P.O. Box 1606
240 Third Street
Macon, GA 31202-1606
jtmcgoldrick@martinsnow.com
sewalker@martinsnow.com

Bret Patrick Shaffer
Schiffman, Sheridan & Brown, P.C.
2080 Linglestown Road, Suite 201
Harrisburg, PA 17110
bshaffer@ssbc-law.com

Patrick L. Lowther
Lisa McVicker Wolgast
Morris, Manning & Martin, LLP
1600 Atlantic Financial Center
3343 Peachtree Road, NE
Atlanta, GA 30326
plowther@mmmlaw.com
lwolgast@mmmlaw.com

Ivy Neal Cadle
Baker Donelson
Gateway Plaza, Suite 201
Macon, GA 31201
icadle@bakerdonelson.com

Chesley S. McLeod
Arnall Golden Gregory LLP
171 17th Street NW, Suite 2100
Atlanta, GA 30363-1031
Chesley.mcleod@agg.com

Howard W. Rubin
2100 Ross Avenue, Suite 750
Dallas, TX 75201
hrubin@kesslercollins.com

Cater C. Thompson
Jones Cork LLP
Fifth Floor, SunTrust Bank Building
435 Second Street
P.O. Box 6437
Macon, GA 31208
Cater.thompson@jonescork.com

/s/ Ryan Kurtz
Ryan Kurtz